

**KERALA STATE ELECTRICITY REGULATORY COMMISSION  
THIRUVANANTHAPURAM**

No. 171/Con.Engg/ 2026/ KSERC

Dated 3<sup>rd</sup> February, 2026

NOTICE

In exercise of the powers conferred under sub section (1) of Section 181, read with Section 57 of the Electricity Act, 2003 (Central Act 36 of 2003), and all other powers enabling it in this behalf, the Kerala State Electricity Regulatory Commission hereby publishes under 'the Electricity (Procedure for previous publication) Rules, 2005' issued by the Central Government, the following draft of the proposed Regulations, namely: - **'Kerala State Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) (First Amendment) Regulations, 2026**, for the information of the persons and stakeholders likely to be affected thereby. Any objections or suggestions thereon may be forwarded to the Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, C.V.Raman Pillai Road, Vellayambalam, Thiruvananthapuram-10, within 21 days from the date of publication of this notice. Objections and suggestions received on or before 25<sup>th</sup> February, 2026 shall be considered by the Commission before finalization of this draft regulation. A public hearing through online mode on this draft Amendment Regulations will be conducted on 25<sup>th</sup> February, 2026. Stakeholders intending to participate in the online hearing shall register in the registration portal on the website of the Commission on or before 23<sup>rd</sup> February, 2026. The exact time and details of hearing will be intimated to the registered stakeholders.

Sd /-  
**Secretary**

(DRAFT )

**KERALA STATE ELECTRICITY REGULATORY COMMISSION  
(STANDARDS OF PERFORMANCE OF DISTRIBUTION  
LICENSEES) (FIRST AMENDMENT) REGULATIONS, 2026**

**1. Short title and commencement. -**

(1) These Regulations may be called the " Kerala State Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) (First Amendment) Regulations, 2026".

(2) These Regulations shall come into force from the date of publication of the same in the Official Gazette of the State of Kerala.

**2. Amendments to the Principal Regulations. -** In the Kerala State Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) Regulations, 2015, the following Amendments are proposed: -

(1) Amendment to Regulation 2. — In Regulation 2,-

(i) For clause (4), the following clause shall be substituted, namely:—

(4) **“applicant”** means an owner or occupier of any land or premises, who files an application in the specified form, with a distribution licensee for; the supply of electricity, or the increase or reduction in sanctioned load or contract demand, or the change in title, or mutation of name or change in consumer category, or the disconnection/reconnection of supply, or termination of agreement, or shifting of service line/meter, or other services, as the case may be, in accordance with the provisions of the Act and the regulations made thereunder;

(ii) After clause (13), the following clauses shall be inserted, namely: —

(13a) **“Consumer Average Interruption Duration Index” or ‘CAIDI’** means the average interruption duration of the sustained interruptions for those who experienced interruptions during the reporting period, as specified in these Regulations;

(13b) **‘Consumer Average Interruption Frequency Index’ or ‘CAIFI’** means the average interruption frequency of the sustained interruptions for those who experienced interruptions during the reporting period, as specified in these Regulations;

(iii) For clause (15), the following clause shall be substituted, namely: —

(15) **“consumer”** means the consumer as defined in the Act:

Provided that, for the purposes of these Regulations, a

prosumer as defined in the KSERC (Renewable Energy and Related Matters) Regulations, 2025 shall have the same rights as that of a consumer under these Regulations;

(iv) After clause (15), the following clauses shall be inserted, namely: —

(15a) **'days'** means clear working days;

(v) After clause (28), the following clauses shall be inserted, namely: —

**(28a) 'Momentary Average Frequency Interruption Frequency Index' or 'MAIFI'** means the average number of momentary interruptions per consumer occurring during the reporting period, as specified in these Regulations;

(vi) After clause (39), the following clauses shall be inserted, namely: —

(39a) **'System Average Interruption Duration Index' or 'SAIDI'** means the average duration of the sustained interruptions per Consumer occurring during the reporting period, as specified in these Regulations;

(39b) **'System Average Interruption Frequency Index' or 'SAIFI'** means the average frequency of the sustained interruptions per Consumer occurring during the reporting period, as specified in these Regulations;

(2) Amendment to Regulation 4. — In Regulation 4,-

(i) After sub regulation (1), the following sub regulations shall be inserted, namely: —

(1A) The distribution licensee shall ensure 24x7 uninterrupted power supply to all the consumers, so that there is no requirement of running the diesel generator sets.

(1B) Within six months from the date of notification of these Regulations, Distribution Licensee shall submit to the Commission, for approval, a Scheme for enabling the decommissioning of Diesel Generator (DG) sets used by consumers as essential backup power within its area of supply. The Scheme shall, inter-alia, provide for:

(i) assessment of reliability of supply in different areas, feeders, and consumer categories;

(ii) a phased plan, based on reliability of supply, to enable such consumers to transition to cleaner backup solutions such as Renewable Energy Generating System with Battery Storage;

- (iii) facilitation measures including technical guidance, connectivity arrangements, metering provisions and procedural support required for such transition;
- (ii) In Sub Regulation (2), -
- (a) in clause (i), for the words “six hours” the words “four hours” shall be substituted;
  - (b) in clause (ii), for the words “eight hours” the words “six hours” shall be substituted;
  - (c) in clause (iii), for the words “ten hours” the words “eight hours” shall be substituted;
- (iii) In Sub Regulation (3), -
- (a) in clause (i), for the words “eight hours” the words “six hours” shall be substituted;
  - (b) in clause (ii), for the words “twelve hours” the words “eight hours” shall be substituted;
  - (c) in clause (iii), for the words “sixteen hours” the words “twelve hours” shall be substituted;
- (iv) In Sub Regulation (5), -
- (a) in clause (i), for the words “twenty four hours” the words “ eighteen hours” shall be substituted;
  - (b) in clause (ii), for the words “thirty six hours” the words “twenty four hours” shall be substituted;
  - (c) in clause (iii), for the words “forty eight hours” the words “thirty six hours” shall be substituted;
- (v) In Sub Regulation (15), for the words “defective LT meter owned by the licensee within seven working days from the date of detection of the defect” the words “defective LT meter as per the timelines specified in Regulations 117 and 118 of the Kerala Electricity Supply Code, 2014” shall be substituted;
- (vi) In Sub Regulation (16), for the words “defective HT meter owned by the licensee within seven working days from the date of detection of the defect” the words “defective HT meter as per the timelines specified in

Regulation 118 of the Kerala Electricity Supply Code, 2014” shall be substituted;

(vii) In Sub Regulation (17), for the words “Average Service Availability Index (ASAI) at 98% in urban areas, 97.5% in rural areas and 97% in difficult areas” the words “Average Service Availability Index (ASAI) at 99% in urban areas, 98.5% in rural areas and 98% in difficult areas” shall be substituted;

(3) Amendment to Regulation 5. — In Regulation 5, for the existing Table Overall standards of Performance, the following Table shall be substituted, namely: —

Table: OVERALL STANDARDS OF PERFORMANCE

Sl. No. (1)	Guaranteed standard of performance (2)	Overall performance (3)
1	Restoration of supply in the case of normal fuse-off Calls within the period of four hours in urban areas	95 %
2	Restoration of supply in the case of normal fuse-off Calls within the period of six hours in rural areas	95 %
3	Restoration of supply in the case of normal fuse-off Calls within the period of eight hours in difficult areas	95%
4	Restoration of supply in the case of breakdowns of overhead lines or overhead cables within six hours in urban areas	90 %
5	Restoration of supply in the case of breakdowns of overhead lines or overhead cables within eight hours in rural areas	90 %
6	Restoration of supply in the case of breakdowns of overhead lines or overhead cables within twelve hours in difficult areas	90%
7	Restoration of supply in the case of breakdowns of underground cables within twenty four hours in urban areas	90%
8	Restoration of supply in the case of breakdowns of underground cables within forty eight hours in rural areas	90%
9	Restoration of supply in the case of breakdowns of underground cables within forty eight hours in difficult areas	90%

10	Restoration of supply in the case of failure of distribution transformer within eighteen hours in urban areas	90 %
11	Restoration of supply in the case of failure of distribution transformer within twenty four hours in rural areas	90%
12	Restoration of supply in the case of failure of distribution transformer within thirty six hours in difficult areas	90%
13	Rectification of voltage variations within seven days where no expansion or enhancement of network is involved	90 %
14	Rectification of voltage variations within one hundred and twenty days where up-gradation of distribution system is required	90 %
15	Inspection, checking and rectification of defects of meter except replacement within five working days of the receipt of complaint	95%
16	Replacement of defective LT meter owned by licensee as per timelines specified in Regulations 117 and 118 of the Kerala Electricity Supply Code, 2014	95%
17	Replacement of defective HT meter owned by licensee as per timelines specified in Regulation 118 of the Kerala Electricity Supply Code, 2014	95%
18	Adherence to time lines specified in the Kerala Electricity Supply Code, 2014 for, - (a) new connection; (b) temporary connection; (c) seasonal connection; (d) enhancement or reduction of connected load or contract demand; (e) transfer of service connection; (f) conversion of service connection; (g) shifting of electric line or electrical plant; (h) dismantling and removal of electric line or electrical plant which are not in use; (i) change of category;	95%
19	Adherence to time lines specified in the Kerala Electricity Supply Code, 2014 for, - (a) resolution of grievances relating to disputed bills; (b) disconnection of supply on the request of consumer;	

	(c) reconnection of supply following disconnection due to non-payment of bills; (d) refund of security deposit on termination of service;	99%
20	Average Service Availability Index in each year (a) Urban area (b) Rural area (c) Difficult area	99% 98.5 % 98%

(4) Amendment to Regulation 6. — In Regulation 6, -

(i) In sub regulation (4), for the words “5% of the total number of distribution transformers” the words “3% of the total number of distribution transformers” shall be substituted”.

(ii) In sub regulation (5), for clause (c) the following clause shall be substituted, namely: —

(c) The Distribution Licensee shall ensure that the distribution system reliability indices specified in clause (a) above are computed in accordance with Regulation 7 of these Regulations and are maintained at not less than the levels specified in Table below for different areas within its area of supply.

Table: Distribution System Reliability Indices

Reliability Index	Urban Areas	Rural Areas	Difficult Areas
SAIDI	400 minutes per month	600 minutes per month	800 minutes per month
SAIFI	30 interruptions per quarter	45 interruptions per quarter	60 interruptions per quarter

(iii) In sub regulation (5), after clause (c) the following clauses shall be inserted, namely: —

(d) The Distribution Licensee shall conduct a study of the distribution system reliability indices specified in clause (a) above, based on the indices achieved by the licensee in the previous years, propose a trajectory for improvement thereof, and submit a detailed report before the Commission within one year from the date of notification of these Regulations.

(e) The Commission may, based on the analysis of the study report submitted under clause (d) and other relevant factors affecting

reliability of supply, modify the trajectory of System Average Interruption Frequency Index (SAIFI) and System Average Interruption Duration Index (SAIDI) for urban areas, rural areas and difficult areas, within its area of supply.

(5) Amendment to Regulation 7. — In Regulation 7, for sub regulation (1), the following sub regulation shall be substituted, namely: —

(1) Every Distribution Licensee shall establish and maintain an online system for submission of feeder-wise interruption data and the computed values of the distribution system reliability indices, in the manner and format specified in these Regulations, so as to enable the Commission to review and monitor the reliability performance of the Distribution Licensee through the online mechanism.

(6) Amendment to Regulation 14. — In Regulation 14, the following sub regulation shall be inserted after sub regulation (1), namely: —

(1A) The Distribution Licensee shall, within six months from the date of notification of these Regulations, create an online portal through which consumers may register and claim compensation payable under these Regulations, as specified under clauses (a) to (d) below:

(i) The online portal shall be developed in such a manner as to incorporate all the details specified in Form A to these Regulations;

(ii) The portal shall have the facility to track the status of the application for compensation, including acknowledgment of receipt, stage of processing, decision taken, and details of compensation credited to the consumer.

(iii) Upon receipt of an application for compensation through the online portal, such application shall be automatically transferred to the authorized officers specified under Regulation 15 of these Regulations;

(iv) The Distribution Licensee shall widely disseminate information regarding such facility through appropriate means including electricity bills, website, SMS/ e-mail/ WhatsApp etc.;

(v) In cases where compensation is payable under these Regulations, the payment of such compensation shall be made by adjustment against the current or future electricity bills of the consumer, in accordance with Regulation 14A and 16 below.

(7) Insertion of new Regulation 14A.— After Regulation 14, the following Regulation shall be inserted, namely: —

#### **14A. Automatic Compensation Mechanism.**

- (1) The Distribution Licensee shall develop a suitable mechanism for automatic payment of compensation in respect of those Standards of Performance parameters specified in clauses (a) to (f), (i) and (k) to (m), of sub regulations (13) Regulation 4 of these Regulations. This mechanism shall be put in place within six months from the date of notification of these Regulations.
- (2) The consumer shall be automatically compensated, without the need for any claim to be made, upon automatic identification of a default in the performance of the Distribution Licensee in respect of the specified parameters under sub regulation (1) above.
- (3) The Distribution Licensee shall design and maintain its distribution system monitoring architecture in such a manner that there is a progressive and gradual increase in the number of parameters indicated in Schedule-I to these Regulations.
- (4) The automatic compensation mechanism developed under sub-regulation (1) shall include integration with the billing system of the Distribution Licensee so as to enable automatic computation and adjustment of the compensation amount in the consumer's electricity bill, with intimation to the consumer.
- (5) The compensation so determined shall be adjusted in the current or subsequent electricity bill of the consumer, but in any case not later than one billing cycle from the date of occurrence of such default.
- (6) The Distribution Licensee shall submit to the Commission, within six months from the date of notification of these Regulations, a report detailing:
  - (i) the parameters brought under online monitoring,
  - (ii) the system developed for automatic compensation, and
  - (iii) the roadmap for inclusion of additional parameters.
- (7) The Distribution Licensee shall submit half-yearly reports to the Commission on the status of implementation of the automatic compensation mechanism and the parameters covered thereunder.
- (8) Amendment to Regulation 15. —In Regulation 15, the heading shall be substituted with the following, namely: —

#### **15. Duty of the Distribution Licensee to Authorize Officers for Sanction**

**and Payment of Compensation for Cases Not Covered Under Automatic Compensation Mechanism.**

(9) Amendment to Regulation 16. — In Regulation 16, -

- (i) In clause (a) to sub regulation (1), for the words “in Form A to the officer, authorized by the licensee under regulation 15” the words “through online portal for cases not covered under Automatic compensation mechanism as specified in Regulation 14A of these Regulations” shall be substituted”;
- (ii) In clause (b) to sub regulation (1), for the words “sixty days” the words “thirty days” shall be substituted”.

(10) Amendment to Regulation 20. — In Regulation 20, -

- (i) The existing sub regulation shall be numbers as sub regulation (1) .
- (ii) The following sub regulation shall be inserted as sub regulation (2), namely: —
  - (2) The Distribution Licensee shall provide facility to the officers authorized by the Commission to access the distribution system meter data for the purpose of ensuring regulatory compliance with respect to reliability indices.

(11) Substitution of Schedule -I. – For the existing Schedule- I, the Schedule -I to these Amendment Regulations shall be substituted.

(12) Amendment to Annexure-I. — In Annexure -I, in the Table under the heading “Reporting Formats – Guaranteed Standards”, in the headings of the columns wherever the word “complaints” occurs, the words “complaints/ request for service” shall be substituted.

(13) Amendment to Annexure-II. — In Annexure -II, in the Table under the heading “Reporting Formats – Guaranteed Standards”, in the headings of the columns wherever the word “complaints” occurs, the words “complaints/ request for service” shall be substituted.

Sd/-  
**Secretary**

**Schedule - I**

**Compensation for breach of guaranteed standards of performance**

(see regulation 16)

Sl. No.	Nature of breach of guaranteed standards of performance	Relevant regulation	Compensation payable to consumers	Mode of compensation
1.	Failure to restore supply in the case of normal fuse off calls	4 (2)	Rs 100 in each case of default	Manual/ Automatic
2.	Failure to restore supply in the case of breakdowns Of overhead line / cable breakdowns	4 (3)	Rs100 in each case of default	Manual/ Automatic
3.	Failure to restore supply in the case of breakdowns Of underground cable	4 (4)	Rs 100 in each case of default	Manual/ Automatic
4.	Failure to restore supply in the case of failure of distribution transformer	4 (5)	Rs100 in each case of default	Manual/ Automatic
5.	Exceeding the maximum duration of scheduled outage	4 (7)	Rs 100 in each case of default	Manual/ Automatic
6.	Failure to rectify voltage fluctuations in case no expansion / augmentation of network required and includes fault identified to a local problem on the transformer	4 (8)	Rs 200 in each week of default	Manual/ Automatic
7.	Failure to rectify voltage fluctuations in case expansion / augmentation of network required	4 (8)	Rs 200 in each week of default	Manual/ Automatic
8.	Failure to rectify voltage fluctuations in case erection of substation required	4 (8)	Rs 200 in each week of default	Manual/ Automatic
9.	Failure to adhere to time schedule for giving new connection where supply can be provided from existing distribution system	4 (13) (a)	Rs 100 for each day of default	Automatic
10.	Failure to adhere to time schedule for giving new connection where supply can be provided after extension / augmentation of the existing distribution system	4 (13) (a)	Rs 100 for each day of default	Automatic
11.	Failure to adhere to time schedule for giving temporary connection/ seasonal connection	4 (13) (b) and (c)	Rs 100 for each day of default	Automatic

12.	Failure to adhere to time schedule for enhancement or reduction of connected load or contract demand	4 (13) (d)	Rs 100 for each day of default	Automatic
13	Failure to adhere to time schedule for transfer of service connection	4 (13) (e)	Rs 100 for each day of default	Automatic
14	Failure to adhere to time schedule for conversion to service connection	4 (13) (f)	Rs 100 for each day of default	Automatic
15	Failure to adhere to time schedule for shifting of service lines / electrical plant	4 (13) (g)	Rs 100 for each day of default	Manual/ Automatic
16	Failure to adhere to time schedule for dismantling and removal of electric line or electrical plant which are not in use	4 (13) (h)	Rs 100 for each day of default	Manual/ Automatic
17	Failure to adhere to time schedule for change of category	4 (13) (i)	Rs 100 for each day of default	Automatic
18	Failure to adhere to time schedule for resolution of grievance relating to disputed bill	4 (13) (j)	Rs 100 for each day of default	Manual/ Automatic
19	Failure to adhere to time schedule for disconnection of supply on the request of the consumer	4 (13) (k)	Rs 100 for each day of default	Automatic
20	Failure to adhere to time schedule for reconnection of supply after disconnection due to non payment bill	4 (13) (l)	Rs 100 for each day of default	Automatic
21	Failure to adhere to time schedule for refund of security deposit etc.	4 (13) (m)	Rs 100 for each day of default	Automatic
22	Failure to inspect and rectify defects of meter within time line	4 (14)	Rs 100 for each day of default	Manual/ Automatic
23	Failure to replace faulty LT meter within the time schedule	4 (15)	Rs 100 for each day of default	Manual/ Automatic

24	Failure to replace faulty HT meter within the time schedule	4 (16)	Rs 100 for each day of default	Manual/ Automatic
25	Failure to ensure Average Service Availability Index in each year	5	Rs 100 for each year	Manual/ Automatic

**Note:**

The method of payment of compensation for the items mentioned as Manual/ Automatic in the Schedule-I above shall be Manual, until such time the Distribution Licensee implements the automatic compensation mechanism for the respective parameter in accordance with regulation 14A of these Regulations. Upon such implementation, the compensation for those parameters shall be through the automatic compensation mechanism.

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## Explanatory Note on the proposed draft (Amendment) Regulations

1. The Commission has notified the Kerala State Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) Regulations, 2015 on 15<sup>th</sup> December, 2015, to specify standards of performance of a licensee, as per Section 57 of the Electricity Act, 2003.
2. Government of India, Ministry of Power (MoP), has notified the Electricity (Rights of Consumers) Rules, 2020 (hereinafter referred as Rules. Further the Rules were amended in 2021, 2022, 2023 and 2024. The Rights of Consumers Rules are aimed at empowering electricity consumers by recognising their rights to a continuous, reliable and quality supply of electricity and by making distribution licensees more accountable in service delivery. The Rules seek to promote transparency, simplicity and time-bound processes for services such as release of new connections, modification of existing connections, metering, billing, grievance redressal and compensation for service failures.
3. Provisions relating to reliability of supply, standards of performance and compensation mechanism have been specified under the Electricity (Rights of Consumers) Rules, 2020 and the amendment issued in 2022. The Electricity (Rights of Consumers) Rules, 2020, inter alia, require the distribution licensee to ensure reliable and quality supply of electricity to consumers and envisage the prescription and monitoring of distribution system reliability indices such as SAIFI, SAIDI, MAIFI, CAIFI and CAIDI. The Rules also provide that the State Commission shall specify the trajectory of such reliability indices and establish an online mechanism for monitoring the same.
4. Further, distribution licensees are required to ensure 24x7 uninterrupted power supply to all consumers and to progressively minimize the dependence on diesel generator sets as backup power. Consumers using diesel generator sets as essential backup power are proposed to shift to cleaner technologies such as Renewable Energy with battery storage within the timelines specified in the Rules, based on the reliability of supply in the area.
5. Consumer-friendly mechanisms such as 24x7 toll-free call centres and integrated systems for registration, tracking and redressal of consumer service requests, supported by information technology platforms for transparency and monitoring, are also mandated. The Rules further provide for online facilities for consumers to register and track service requests and compensation claims, and for the Commission to ensure that distribution licensees adopt systems enabling monitoring, accountability and timely delivery of services to consumers.
6. The Rules also mandate that consumers shall be automatically compensated for the breach of standards of performance by the distribution licensees, without the need to file any claim, for service failures that can be monitored remotely.

Further, the Commission is required to notify a mechanism for enabling such automatic compensation and to ensure progressive expansion of parameters eligible for remote monitoring.

7. Ministry of Power (MoP), vide letter dated 09<sup>th</sup> October, 2025, has emphasized the need for compliance with the provisions relating to reliability of supply under the Consumer Rules. Further, MoP is reviewing the compliance of the various Rules issued by the Central Government, and the rating of States/UTs is being carried out based on their regulatory performance.
8. The Commission has already provided, under the Kerala Electricity Supply Code (Fifth Amendment), 2024, for an online mode of submission of applications for various consumer services along with a tracking mechanism enabling monitoring of timelines for service delivery. In view of the availability of this digital monitoring framework, it is proposed that, in the initial phase, automatic compensation is linked to the timelines prescribed for such services under the Supply Code, as these parameters can be effectively monitored through the existing online system.
9. Further, an online portal for submission of applications and a remote monitoring mechanism have been proposed under these Regulations to facilitate effective tracking and verification of service performance, as envisaged under the Consumer Rules. In addition, provisions have been proposed to ensure 24x7 uninterrupted power supply so as to minimize the requirement of running diesel generator sets by consumers, and to mandate submission of a Scheme by the Distribution Licensee for enabling phased replacement of such diesel generator sets with cleaner backup solutions such as Renewable Energy Generating Systems with Battery Storage, based on assessment of reliability of supply across areas and consumer categories, along with necessary facilitation measures.
10. Compensation for breach of guaranteed standards of performance has been provided under Schedule-I to the Kerala State Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) Regulations, 2015. Since the rates were specified in 2015 and have not been revised thereafter, revision of the compensation rates for breach of guaranteed standards of performance has been proposed in the draft.
11. This draft regulation is prepared for incorporating the above objectives.